



RECORDATION NO. 8871 Filed & Recorded

JUN 30 1977 -2 20 PM

INTERSTATE COMMERCE COMMISSION

June 6, 1977

RECORDATION NO. 8871-A Filed & Recorded

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INTERSTATE COMMERCE COMMISSION

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Hon. H. G. Homme
Acting Secretary,
Interstate Commerce Commission
Washington, D. C. 20423

Dear Sir:

INTERSTATE COMMERCE COMMISSION

Enclosed for filing with and recording by the Interstate Commerce Commission are five counterparts each of a Lease Agreement dated as of March 26, 1976, among ITEL Corporation, SSI Rail Corp., Two Embarcadero Center, San Francisco, California, 94111, Lessor, and Marinette, Tomahawk & Western Railroad Company, P. O. Box 315, Tomahawk, Wisconsin, 54487, Lessee, covering 200 50'6", general purpose boxcars (AAR Mechanical Designation XM), bearing identifying numbers MTW 4000 to 4199, both inclusive. Identifying marks on the foregoing equipment: "Ownership subject to a Security Agreement filed under the Interstate Commerce Act, Section 20c".

Attached to each Lease Agreement is an Amendment dated as of April 21, 1976, a Second Amendment dated December 30, 1976, and a Third Amendment dated April 4, 1977. The Third Amendment adds the following railroad equipment to the Lease Agreement:

100 50'6", general purpose boxcars (AAR Mechanical Designation XM), bearing identifying numbers MTW 4200 to 4299, both inclusive. Identifying marks on such equipment: "PROPERTY OF AND LEASED FROM MANUFACTURERS HANOVER LEASING CORPORATION SUBJECT TO AN AGREEMENT FILED UNDER THE INTERSTATE COMMERCE ACT, SECTION 20c."

Also enclosed is this Company's check in the sum of \$80.00, payable to the Interstate Commerce Commission, being the prescribed fee for filing and recording the foregoing Lease Agreement and Amendments.

RECEIVED JUN 30 2 28 PM '77
I.C.C. (1) FEE OPERATIONS

TWO EMBARCADERO CENTER

SAN FRANCISCO, CALIFORNIA 94111

(415) 983-0123

TELEX 34-0867 CABLE SSI
SUBSIDIARY OF THE ITEL CORPORATION

Mr. Homme
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Page 2.

Please cross-reference this Lease Agreement to the Railroad Equipment Lease Agreement dated as of June 28, 1977 between Manufacturers Hanover Leasing Corporation and SSI filed concurrently herewith.

Please return all additional copies of the enclosed counterparts not required by the Interstate Commerce Commission to David Schwartz, Esq., of Sullivan and Worcester, who will be delivering this letter on our behalf.

Very truly yours,



Martin D. Goodman
Secretary

MDG:md
Enc.

SECOND AMENDMENT

Second Amendment dated December 30, 1976 among SSI Rail Corporation, a Delaware corporation ("SSI"), ITEL Corporation, a Delaware corporation ("ITEL"), and Marinette, Tomahawk and Western Railroad Company, a Wisconsin corporation ("Lessee").

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WITNESSETH:

INTERSTATE COMMERCE COMMISSION

WHEREAS, SSI, ITEL and Lessee are parties to a Lease dated as of March 26, 1976 and amended as of April 21, 1976 ("the Lease") pursuant to which SSI has delivered 200 Boxcars ("the initial Boxcars");

NOW, THEREFORE, in consideration of the premises and mutual agreements herein contained, the parties hereto agree to amend the Lease as follows:

1. All terms defined in the Lease shall have the defined meanings when used in this Second Amendment.
2. Section 2(A) of the Lease is amended by substituting "thirteen (13) years" for "ten (10) years".
3. Section 2(B) of the Lease is amended by substituting "initial thirteen (13) year period" for "initial ten (10) year period".
4. Section 6(A)(1) of the Lease is amended by substituting "ninety-four (94) percent during the initial thirteen year period or equal to or less than ninety (90) percent during any extension of the Lease" for "ninety (90) percent".
5. Section 6(A)(1f) of the Lease is amended by substituting "ninety-four (94) percent" for "ninety (90) percent" wherever it appears in Section 6(A)(1f) and by adding the following sentence:

"During any extension of the Lease after the initial thirteen (13) year period, the ninety-four (94) percent figure will be changed to ninety (90) percent."

6. Section 6(E) of the Lease is amended by substituting "one hundred (100) percent" for "ninety-three (93) percent".

7. (a) The amendments made by paragraphs 2 and 3 of this Second Amendment shall be effective for the remaining term of this Lease.

(b) The amendments made by paragraphs 4, 5 and 6 of this Second Amendment shall be effective only with respect to Rental Charges payable to SSI on the initial Boxcars and only in the event SSI elects, and furnishes to Lessee necessary documentation of such election, to transfer all of the investment tax credits otherwise available to SSI on the date of execution of this Second Amendment with respect to said initial Boxcars, unless such paragraphs are made effective as to other boxcars by subsequent amendments to this Lease. Upon final determination of Lessee's federal income tax liability for the calendar year 1976, and for any other year to which 1976 investment tax credit may be carried, Lessee shall advise SSI as to the amount of investment tax credit allowed to Lessee with respect to the initial Boxcars and subsequently shall advise SSI as to any subsequent recapture or other modification of such investment tax credit. In the event Lessee advises SSI that Lessee was allowed the full amount of investment tax credit subject to SSI's election, without subsequent recapture or modification, or would have been allowed such full amount except for Lessee's inability to use such full amount solely by reason of insufficient

federal income tax liability of Lessee for 1976 and any other taxable year of Lessee to which 1976 investment tax credit may be carried, then no refund of Rental Charges shall be due Lessee from SSI, anything to the contrary herein notwithstanding. For the purpose of the preceding sentence, if the only subsequent recapture or modification which occurs is caused by physically damaged or destroyed boxcars, then SSI shall reimburse Lessee the lesser of:

(1) the amount of the recapture or modification, or

(2) the excess of the total additional Rental Charge paid to SSI during the thirteen (13) year term of this Lease, as amended, solely by reason of paragraphs 4, 5 and 6 of this Second Amendment, over the amount of investment tax credit allowed Lessee after adjustment for such recapture or modification, and

such preceding sentence shall be applied as though no subsequent recapture or modification had occurred. Except as otherwise provided in the preceding sentence, in the event Lessee advises SSI that Lessee was allowed less than the full amount of investment tax credit subject to SSI's election, for any reason other than insufficient federal income tax liability of Lessee, then SSI shall be paid and retain the excess of the amount of additional Rental Charges payable under this Second Amendment over the Rental Charges payable under the Lease as originally executed until such excess equals the amount of investment tax credit allowed to Lessee, taking into account investment tax credit recapture or other modification of any initial allowance of investment tax credit, after which Rental Charges shall be limited to amounts calculated under this Lease as originally executed and SSI shall refund to Lessee any

amount of Rental Charge, & theretofore received by SSI & excess thereof within thirty (30) days after the end of the calendar quarter in which SSI is so advised by Lessee.

8. Except as expressly modified by this Second Amendment, all the terms and provisions of the Lease, as previously amended, in all respects shall continue in full force and effect.

9. This Second Amendment may be executed by the parties hereto in any number of counterparts and all said counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Second Amendment to be duly executed and delivered by these proper and duly authorized officers as of the date and year first above written.

SSI RAIL CORPORATION

By 

Date 12-30-76

ITEL CORPORATION

By 

Date 12-30-76

Marinette, Tomahawk and Western Railroad Company

By Miss Nelson

Date Dec. 31, 1976

STATE OF OHIO.....
COUNTY OF LUCAS.....

On this 31st day of December, 1976, before me personally appeared Mell Nelson, to me personally known, who being by me duly sworn says that such person is Vice President of Marinette, Tomahawk and Western Railroad Company, that the foregoing Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donald M. Hawkins

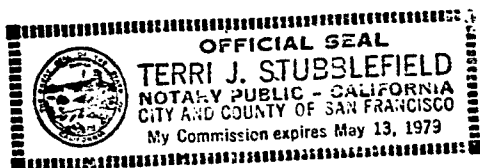
Notary Public

Donald M. Hawkins

Notary Public—State of Ohio
My Commission has no expiration
date. Section 147.03 R.C.

STATE OF California.....
COUNTY OF San Francisco.....

On this 30th day of December, 1976, before me personally appeared William J. Texido, to me personally known, who being by me duly sworn says that such person is President of SSI Rail Corp., that the foregoing Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.



Terri J. Stubblefield
Notary Public